

CCH Board Meeting October 2019



Ekerete Akpan, Chief Financial Officer

October 25, 2019



**COOK COUNTY
HEALTH**

Observations on Financials

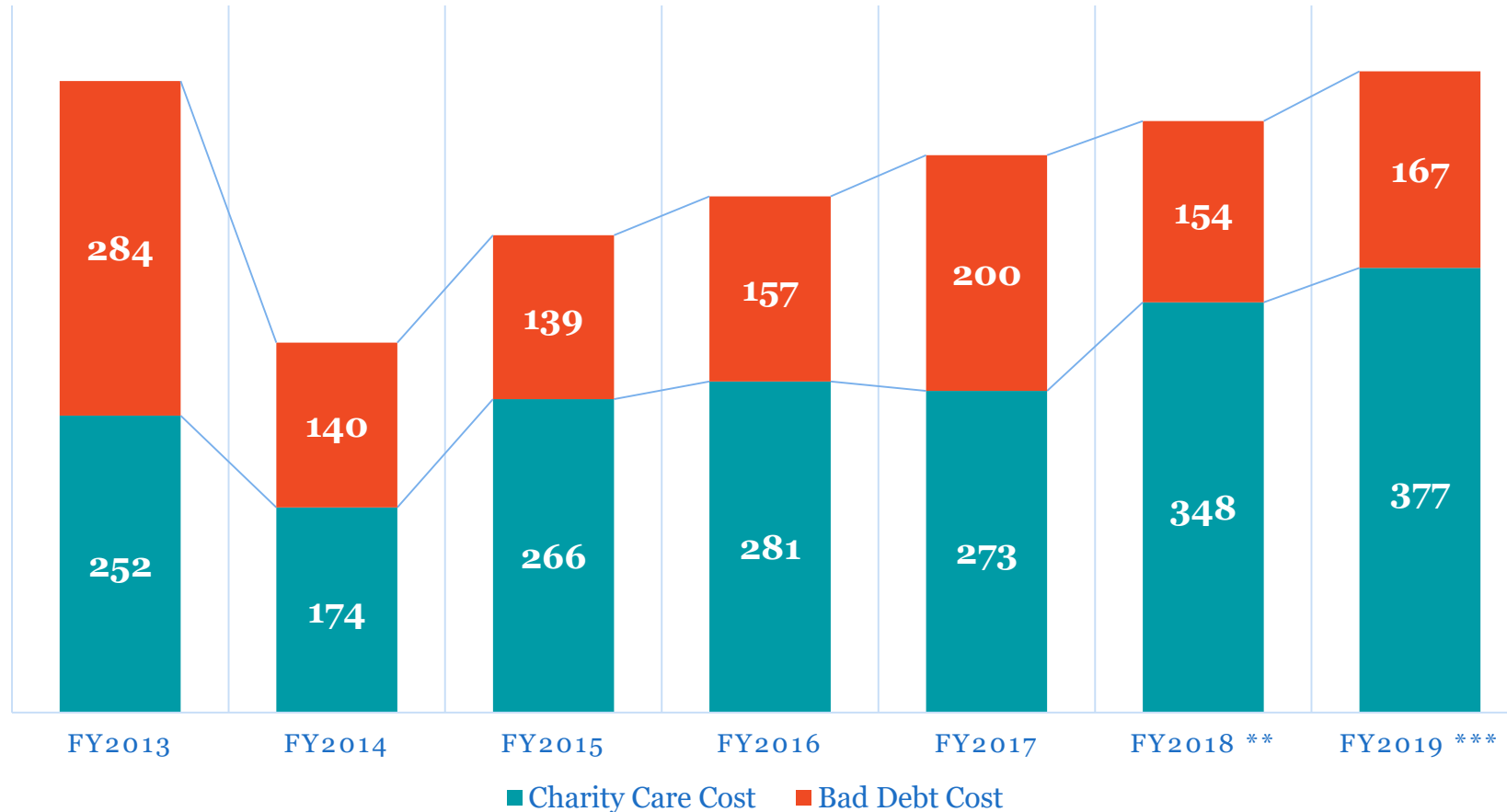
Revenues

- Net Patient Service Revenues - \$506M, 6% unfavorable to target due to increasing and unsustainable growth in charity care, some lower clinical activity and lower revenue cycle activity
 - System-wide uninsured numbers
 - Captured by Visits, held at 44%
 - Captured by Charges, held at 40%
- CountyCare Capitation Revenues - \$1.3B, 5% unfavorable to target due to lower than budgeted enrollment as a result of lower State/County MCO enrollment
- Other Revenues - \$13M , trending to exceed FY2019 target

Expenses

- Cost of Pharma - \$63M, unfavorable by 3% compared to budget and closely monitored/managed to get to target

CCH Uncompensated Care* (in \$millions)



* Uncompensated Care is Charity Care + Bad Debt at cost

** FY2018 Actual from Audited Financials

***FY2019 projected



Income Statement for the Nine Months ending August 2019 (in thousands)

CCH Systemwide	Year-To-Date		Variance	
	Actual	Budget	\$	%
<u>Operating Revenue</u>				
Net Patient Service Revenue	506,457	536,118	(29,661)	-6%
County Care Access Payments	310,428	-	310,428	n/a
CountyCare Capitation Revenue	1,303,021	1,366,312	(63,292)	-5%
Cook County Access Payments	51,132	51,132	-	0%
Other Revenue	12,709	9,750	2,959	30%
Total Operating Rev	2,183,747	1,963,312	220,435	11%
<u>Operating Expenses</u>				
Salaries & Benefits	501,034	534,853	33,819	6%
Overtime	35,319	26,851	(8,468)	-32%
Contracted Labor	50,659	25,590	(25,069)	-98%
Pension*	82,446	245,522	163,076	66%
Supplies & Materials	36,615	56,270	19,656	35%
Pharmaceutical Supplies	62,633	60,621	(2,012)	-3%
Purch. Svs., Rental, Oth.	182,474	251,159	68,685	27%
External Claims Expense	1,141,001	1,062,427	(78,574)	-7%
County Care Access Expense	310,428	-	(310,428)	n/a
Insurance Expense	20,011	22,077	2,066	9%
Depreciation	26,028	26,028	-	0%
Utilities	7,385	7,414	29	0%
Total Operating Exp	2,456,034	2,318,813	(137,221)	-6%
Operating Margin	(272,287)	(355,501)	83,214	23%
Operating Margin %	-12%	-18%	6%	31%
Non Operating Revenue	148,669	194,664	(45,995)	-24%
Net Income/(Loss)	(123,618)	(160,837)	37,219	23%



Balance Sheet for the Nine Months ending August 2019 (in thousands)

CCH - Balance Sheet Summary	Aug 2019	Aug 2018	Variance
<u>Current Assets</u>			
Cash and Cash equivalents	11,844	227,258	(215,415)
Property Taxes Receivable	57,160	94,942	(37,782)
Receivables	472,239	245,303	226,936
Inventory	15,086	27,641	(12,555)
Total Current Assets	556,329	595,145	(38,816)
Refundable Deposit	55,000	50,000	5,000
Intangible Assets	20,435	30,318	(9,883)
Capital Assets	489,575	434,561	55,014
Total Assets	1,121,338	1,110,024	11,315
<u>Deferred Outflow</u>			
Deferred Outflow	372,465	630,938	(258,473)
Total Deferred Outflow	372,465	630,938	(258,473)



Balance Sheet for the Nine Months ending August 2019 (in thousands)

CCH - Balance Sheet Summary	Aug 2019	Aug 2018	Variance
Current Liabilities			
Cash Due to Treasurer	27,849	-	27,849
Accounts Payable	155,942	229,981	(74,039)
Accrued Salaries, wages and other liabilities	18,322	15,850	2,472
Claims payable	296,477	375,563	(79,086)
Compensated Absences	6,676	6,654	22
Pension Contribution Payable	66,386	51,274	15,113
Unearned revenue	15,726	15,985	(259)
Due to State of Illinois	-	-	-
Due to other county governmental funds	43	43	-
Due to others	6,994	-	6,994
Self-insurance claims payable	41,897	32,765	9,132
Total Current Liabilities	636,313	728,116	(91,803)
Compensated Absences	37,829	37,705	124
Self-insurance claims payable	137,913	138,832	(919)
Reserve for tax objection suits	12,342	13,003	(661)
Net pension liability	4,798,386	4,504,508	293,877
Total Liabilities	5,622,782	5,422,163	200,619
Deferred Inflow			
Deferred Inflow	757,108	561,886	195,222
Total Deferred Inflow	757,108	561,886	195,222
Net position			
Contributed Capital	500,687	445,806	54,881
Unrestricted	(5,386,774)	(4,688,893)	(697,881)
Total net position	(4,886,086)	(4,243,087)	(642,999)



Financial Metrics

Metric	As of end Aug-18/YTD	As of end Aug-19/YTD	CCH Target	Best Practice Target
Days Cash On Hand*	30	2	60	204.7
Operating Margin**	-5.4%	-10.1%	-5.4%	2.7%
Overtime as Percentage of Gross Salary***	7.5%	7.5%	5.0%	2.0
Average Age of Plant (Years)****	24.4	23.2	20	11.2

*Days Cash in Hand – Point in time i.e. as of end of each month. Note State owed CCH \$246.2M in payments as of end August 2019

Excludes Pension Expense-Target based on compare group consisting of 'like' health systems : Alameda Health System, Nebraska Medical Center, Parkland Health & Hospital System, and UI Health. (Best Practice Target**)-Moody's report, August 2017 2.7%

***Overtime as percentage of Gross Salary – CCH target 5% , Moody's 2% Report, August 2017

**** Average age of plant (years) (**Best Practice Target**)-Moody's report, August 2017 11.2 years



Revenue Cycle Metrics

Metric	Average FYTD 2019	July-19	Aug.-19	Sept.-19	CCH Benchmark /Target	Best Practice Target
Average Days in Accounts Receivable <i>(lower is better)</i>	98	102	103	96	45.85 – 54.9*	47.8**
Discharged Not Finally Billed Days <i>(lower is better)</i>	11	12	13	12	7	5*
Claims Initial Denials Percentage <i>(lower is better)</i>	20%	15%	19%	21%	20%	5-10%***

Definitions:

Average Days in Accounts Receivable: Total accounts receivable over average daily revenue

Discharged Not Finally Billed Days: Total charges of discharge not finally billed over average daily revenue

Claims Initial Denials Percentage: Percentage of claims denied initially compared to total claims submitted.

* Source HFMA Key Hospital Statistics and Ratio Margins – Posted 2014

** *(Best Practice Target)*-Moody's report, August 2017 47.8 days

****(Best Practice Target)*-American Academy of Family Physicians, 5-10% industry average

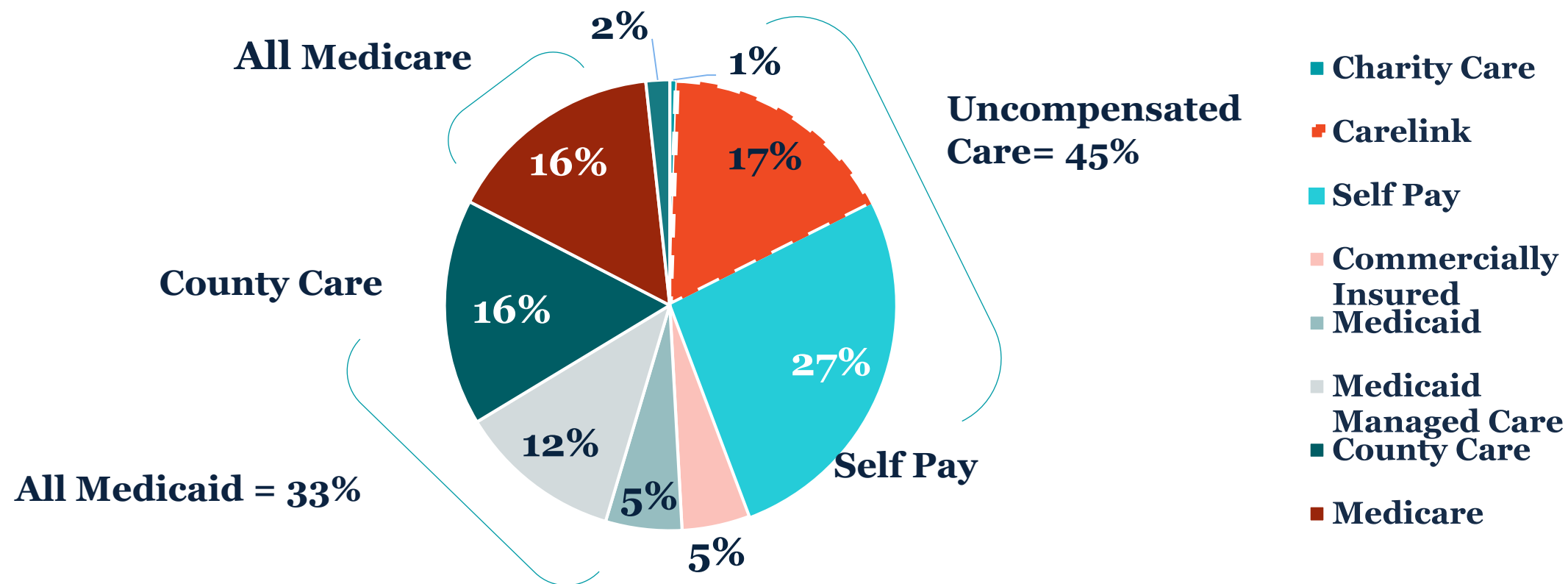


Clinical Activity Observations

- Primary Care visits are up by 10% versus FY18, and up 4% versus FY19 target
- Specialty Care visits are up by 6% versus FY18 up 1% versus FY19 target
- Surgical Cases are down by 4% versus FY18, and down 9% versus FY19 target
- Inpatient Discharges are down 5% versus FY18
- Length of Stay is up 1% versus FY18, and up 1% versus FY19 target
- Emergency Department visits are down 2% versus FY18
- Deliveries are up by 5% versus FY18, and down 5% versus FY19 target
- CMI is up by 6% versus FY2018



System Payor Mix By Visit as of August 2019



Questions?



COOK COUNTY
HEALTH

Human Resources Metrics CCH Board of Directors

Barbara Pryor
Chief Human Resources Officer

October 25, 2019



COOK COUNTY
HEALTH

Metrics



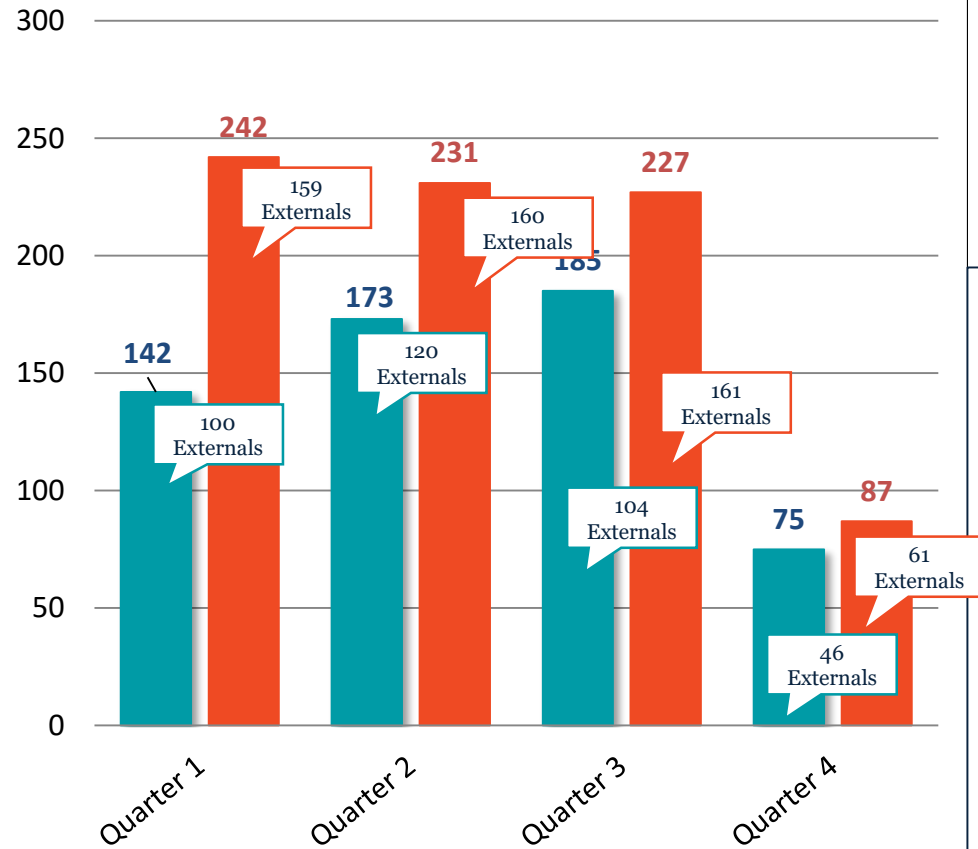
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CCH HR Activity Report

Thru 09/30/2019

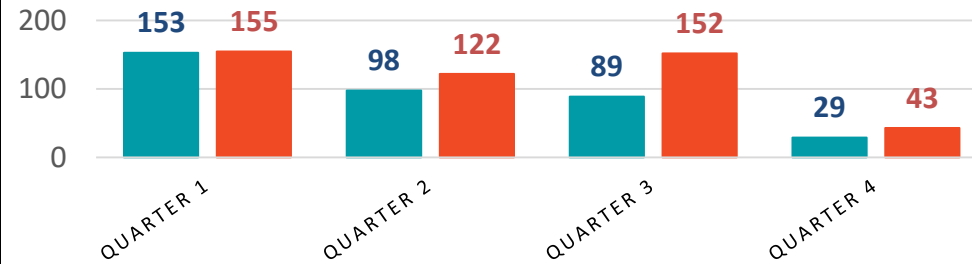
FILLED POSITIONS

■ 2018 Filled (575) | Externals (370)
■ 2019 Filled (787) | Externals (541)

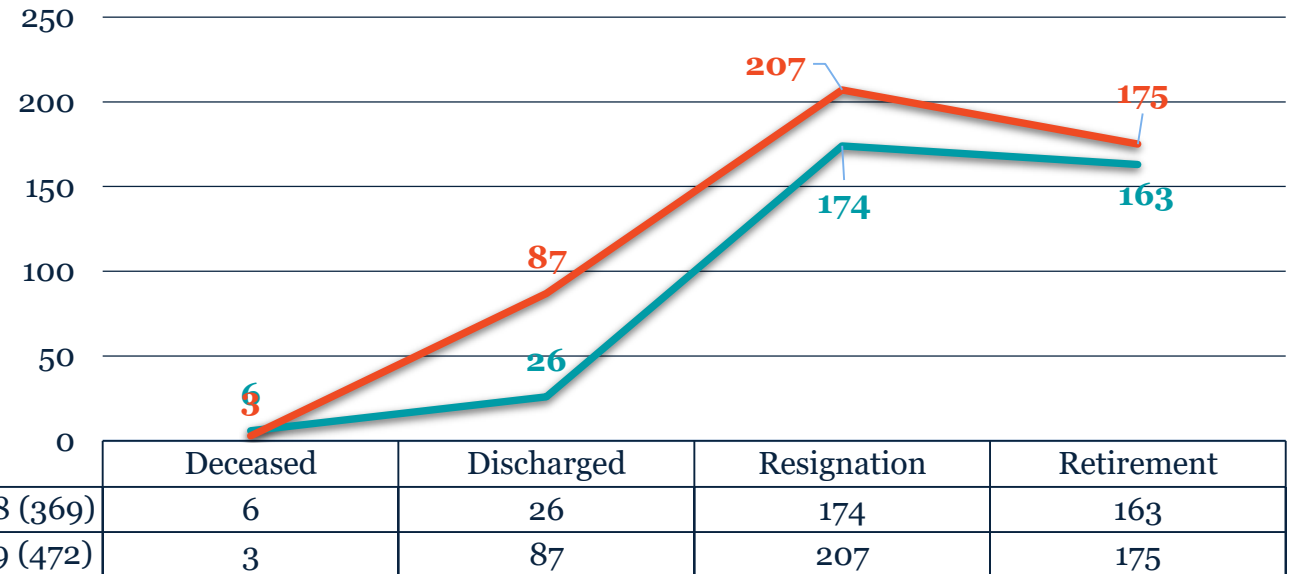
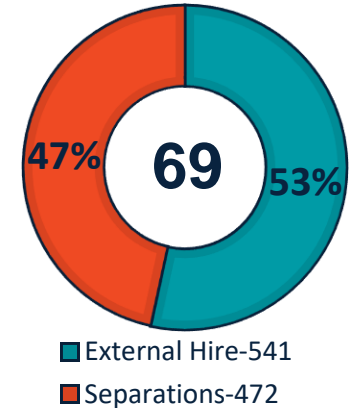


SEPARATIONS

■ 2018 Separations (369) ■ 2019 Separations (472)



NET NEW



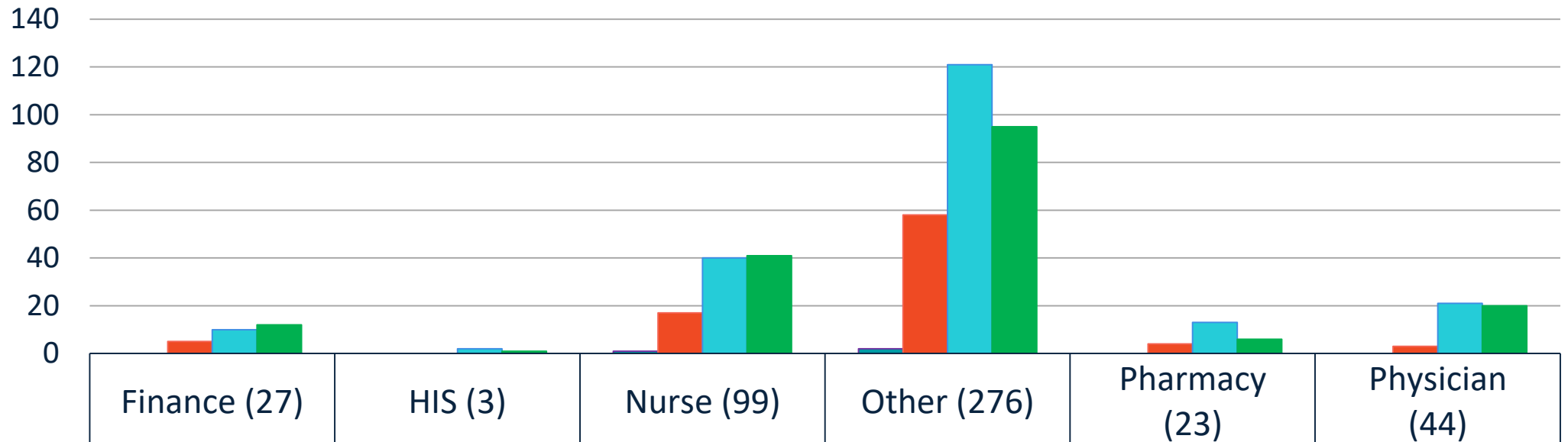
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Does not include Consultants, Registry and House Staff

CCH HR Activity Report

Thru 09/30/2019

SEPARATIONS BY CLASSIFICATION - 472

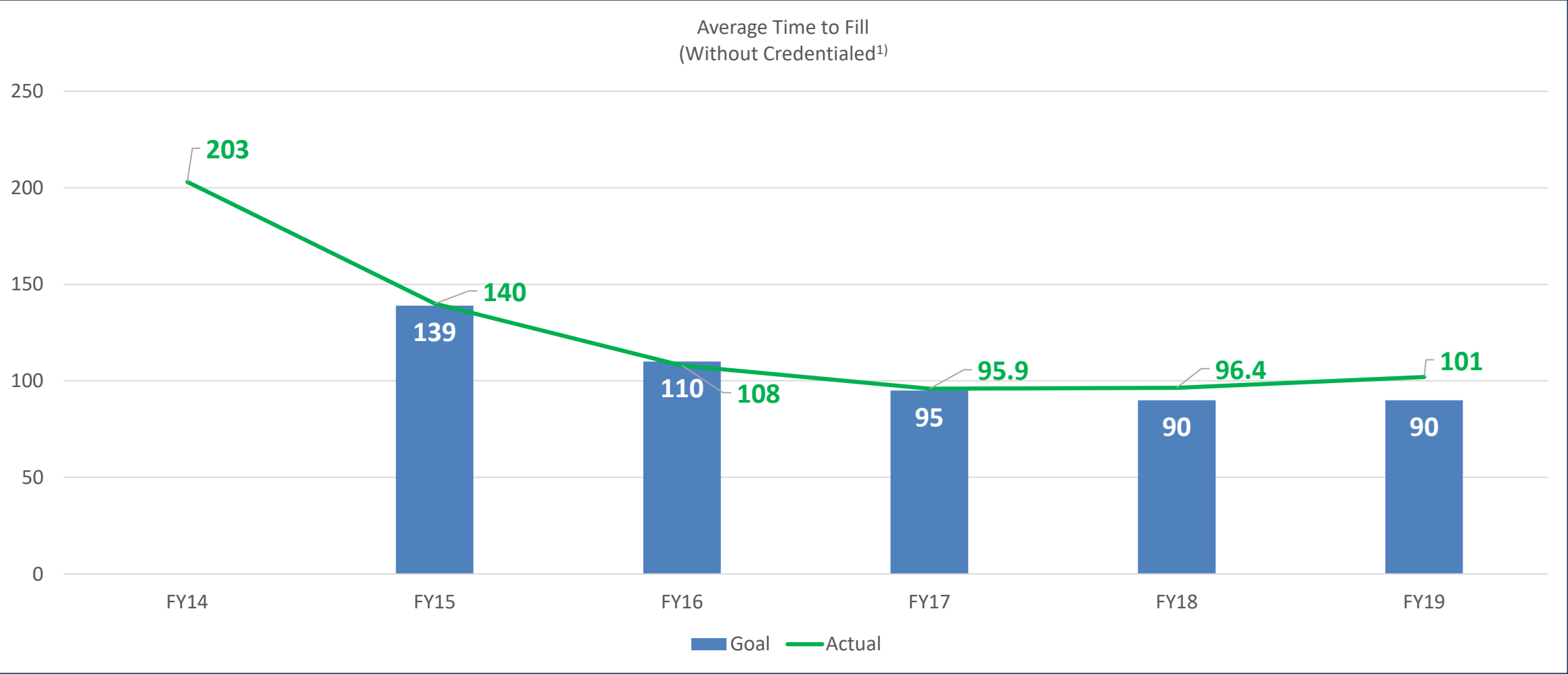


■ Deceased (3)			1	2		
■ Discharged (87)	5		17	58	4	3
■ Resignation (207)	10	2	40	121	13	21
■ Retirement (175)	12	1	41	95	6	20



CCH HR Activity Report – Open Vacancies

Improve/Reduce Average Time to Hire*



¹Credentialed Positions: Physicians, Psychologist, Physician Assistant I and Advanced Practice Nurses.

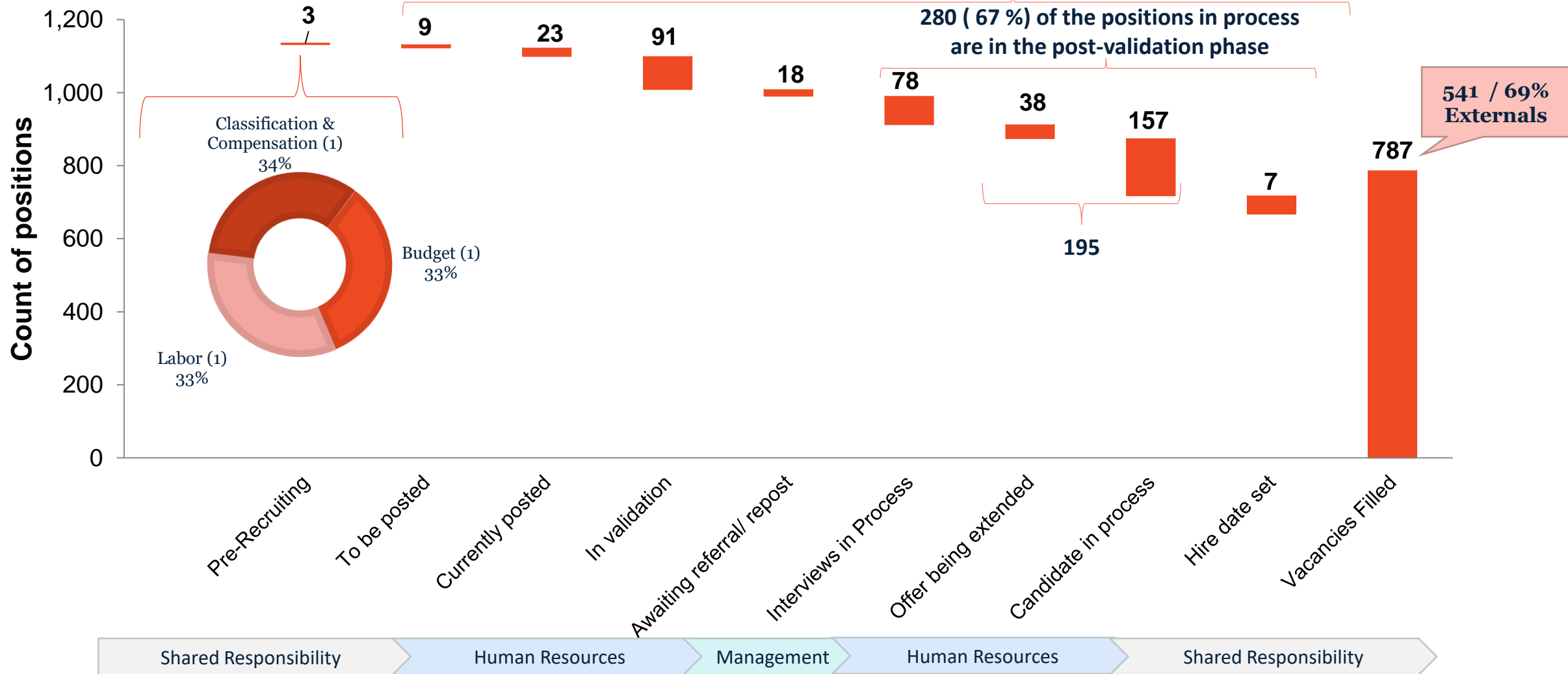
CCH HR Activity Report – Hiring Snapshot

Thru 09/30/2019

Clinical Positions – 297 / 71%

Non-Clinical Positions – 124 / 29%

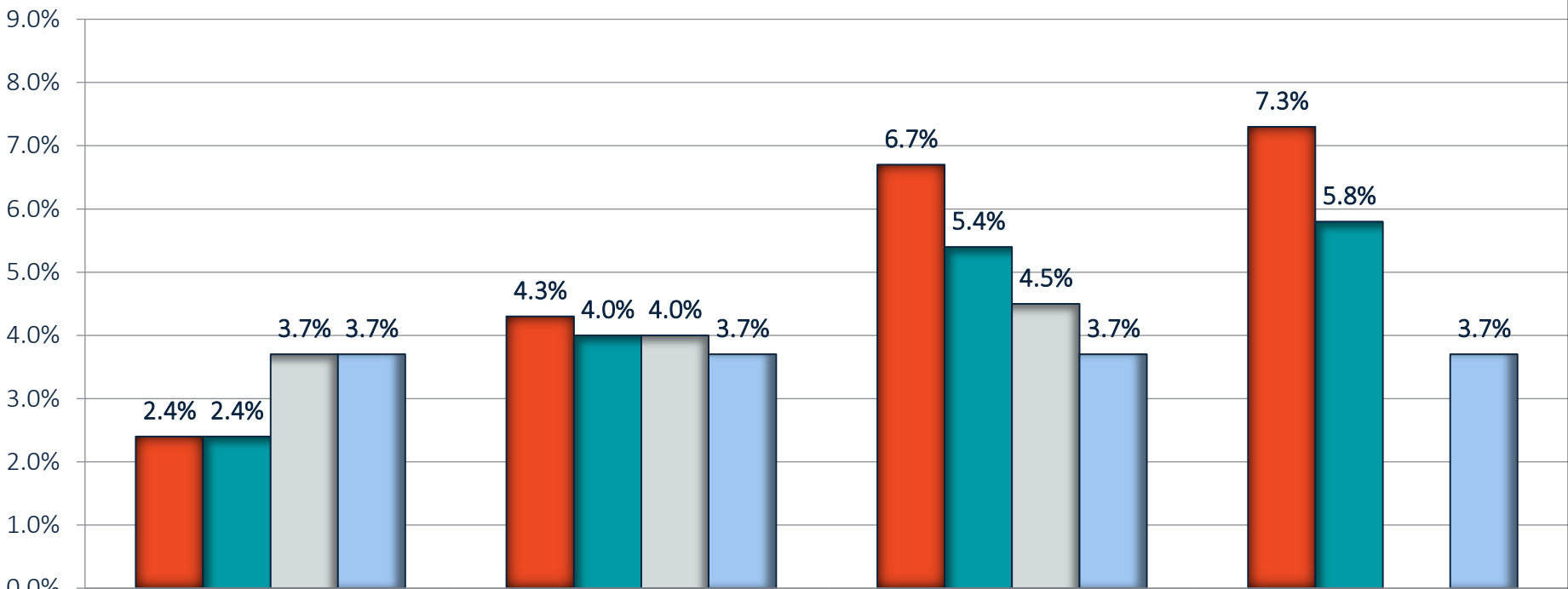
421 Positions in Recruitment



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CCH HR Activity Report – Turnover

CCH TURNOVER
Turnover Year-to-Date
Head Count: 6,435



YTD Cumulative Totals:	Quarter 1	Quarter 2	Quarter 3	Quarter 4
■ FY19 CCH Turnover	2.4%	4.3%	6.7%	7.3%
■ FY18 CCH Turnover	2.4%	4.0%	5.4%	5.8%
■ FY17 U.S. IL Health & Hospital Assoc. Turnover Data	3.7%	4.0%	4.5%	NA
■ FY19 U.S. Dept. of Labor Turnover Data	3.7%	3.7%	3.7%	3.7%



Thank you.



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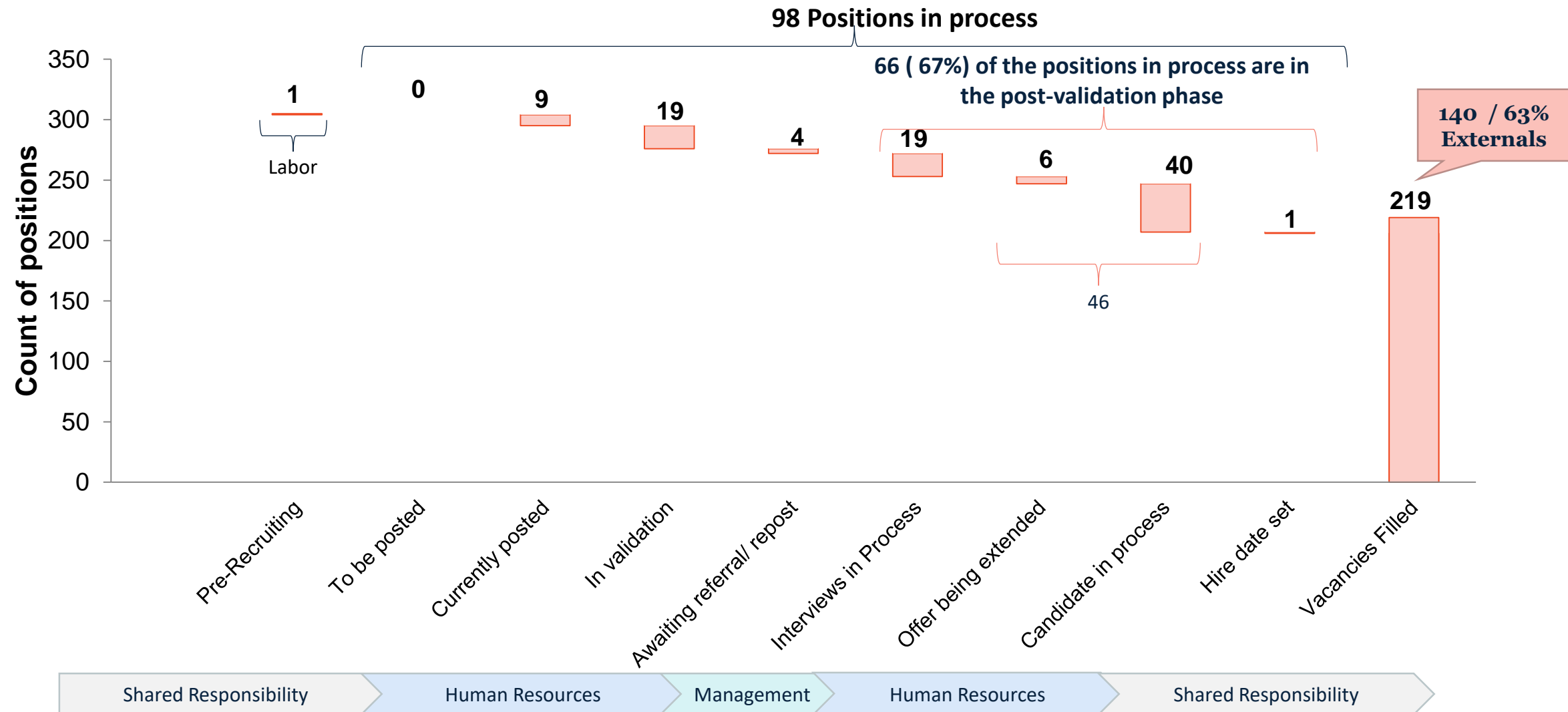
Appendix



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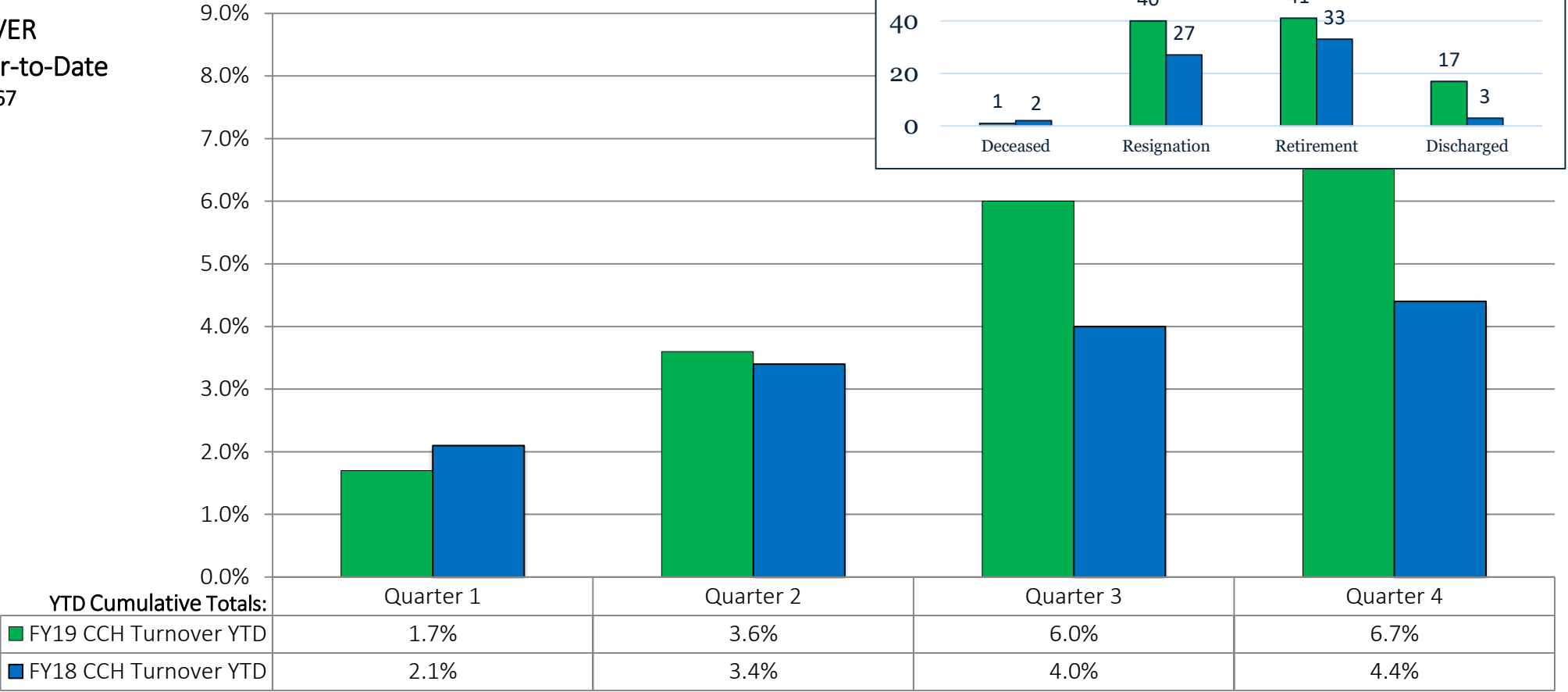
CCH HR Activity Report – Nursing Hiring Snapshot

Thru 09/30/2019



Nursing Activity Report – Turnover

CCH TURNOVER
Turnover Year-to-Date
Head Count: 1,467



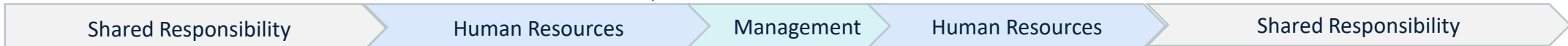
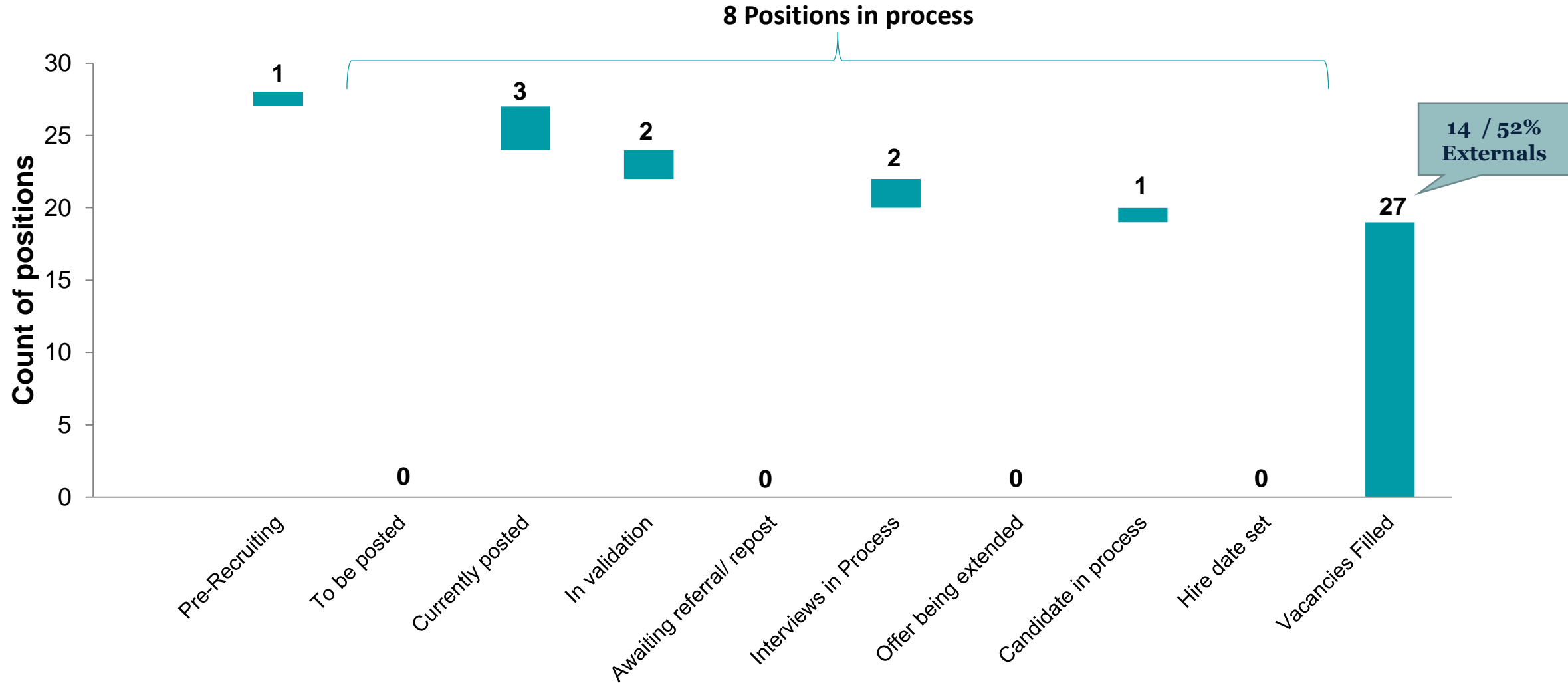
Include Registry

FY19 data is through 09/30/2019



CCH HR Activity Report – Finance Hiring Snapshot

Thru 09/30/2019





Impact 2020

Develop Cultural Competency of Workforce



COOK COUNTY
HEALTH

Impact 2020 – Develop Cultural Competency of Workforce

The Changing Landscape - Benchmark

- According to the US Census Bureau:
 - ❑ The minority population increased from 32.9% of U.S. residents in 2004 to 37.9% in 2014.
 - ❑ Chicago's minority population is 54.7%.
 - ❑ The percentage of minorities in America is projected to exceed 50% by 2056
- A 2015 study by the Centers for Disease Control and Prevention, found that 22% of adults in the US have some form of a disability.
 - ❑ The study also found Black (29%) and Hispanic (25.9%) adults were more likely to have a disability than were White (20.6%) adults (*CSC newsroom, 2015*).
- A 2016 U.S. Gallup Poll of the largest representative sample of LGBT Americans found that more than an estimated 10 million adults now identify as :GBT om the U.S. today, approximately 1.75 million more compared with 2012. This is an increase from 3.5% in 2012 to 4.1% in 2016. LGBT millennials rose from 5.8% in 2012 to 7.3% in 2016 (*Gates,2017*)>

Impact 2020 – Develop Cultural Competency of Workforce

- The Cook County Health Committee on Addressing Bias, Equity , and Cultural Competency has proposed the following definitions for Cultural Competence:


Cultural Competence

An ongoing willingness to acknowledge, identify, and **challenge one's own assumptions**, values, and beliefs to **build understanding** around the unique attributes that make up the **various demographics** of Cook County. This results in effective 2-way communication and **safe, open interactions** amongst community members and County workforce members.


Cultural Competency & Implicit Bias Training for Leaders

- CCH Organizational Development & Training Department hosted a **Pilot** training session.
- Learning Objectives:
 - Build awareness of implicit bias and its effects
 - Engage in cross-cultural communication and use preferred language
 - Discover and discuss strategies to mitigate implicit bias and improve cultural competence
 - CCH Leaders provide feedback about this high-value new course offering

Pilot Version



COOK COUNTY
HEALTH



THE
EXETER GROUP

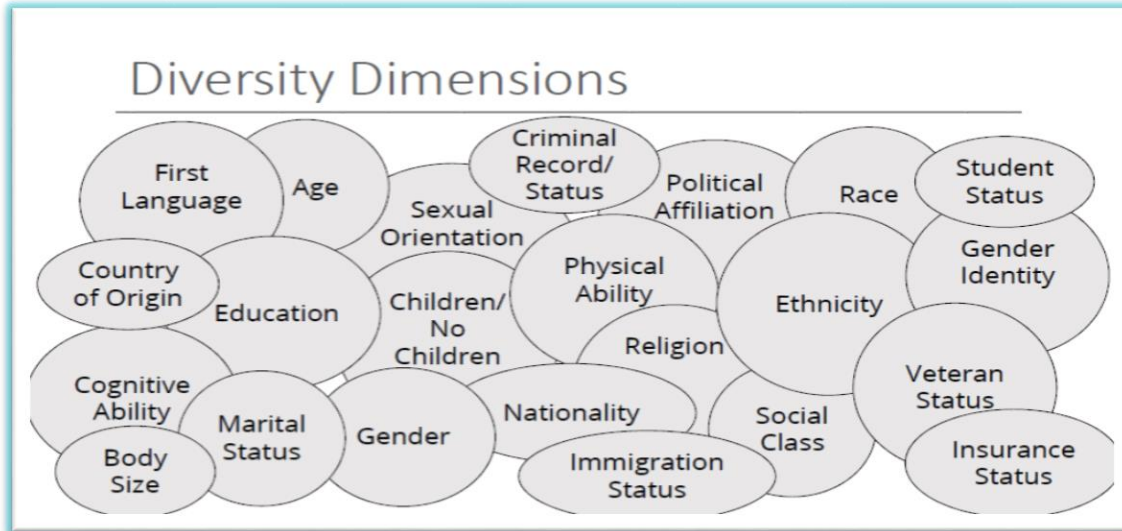
Cultural Competence & Implicit Bias Training for Leaders

The Exeter Group

Wednesday, October 2, 2019

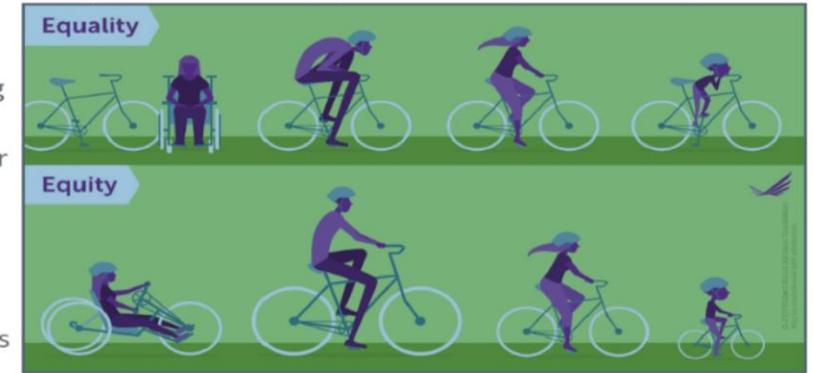
Cultural Competency & Implicit Bias Training for Leaders

- Topics covered:



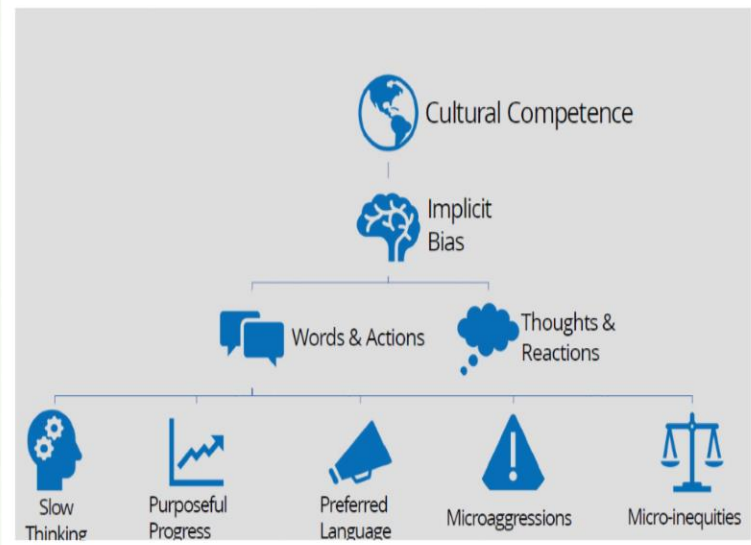
Health Equity

- The absence of avoidable and unfair health differences among groups of people
- Everyone has a fair opportunity to attain their full health potential and no one is disadvantaged from achieving this potential



Preferred Language

Recommended (Person-centered)	Not Recommended
<ul style="list-style-type: none">Person with a disabilityPerson who uses a wheelchair	<ul style="list-style-type: none">Disabled, HandicappedWheelchair-bound
<ul style="list-style-type: none">Sexual OrientationTransgender or CisgenderLGBTQ, Lesbian or Gay	<ul style="list-style-type: none">Sexual PreferenceTranssexual or TransgenderedHomosexual
<ul style="list-style-type: none">Person of colorBlack or African AmericanAsianHispanic or Latino/a/xWhite or CaucasianMulti-racial or Interracial	<ul style="list-style-type: none">Colored"The Blacks," "The Whites," etc.OrientalAssuming someone is Mexican or Colombian
<ul style="list-style-type: none">Undocumented Immigrant	<ul style="list-style-type: none">Illegal alien



Implicit Bias Defined

Biases are the intentional or unintentional beliefs based on stereotypes that cause someone to perceive traits or characteristics that may or may not be true, which enables the favorable or unfavorable treatment of said person or group.

Implicit biases are:

- Attitudes or stereotypes that unconsciously affect our understanding, actions, and decisions.
- Activated involuntarily and without our awareness or intentional control.



CountyCare Metrics

Prepared for: CCH Board of Directors

James Kiamos

CEO, CountyCare

October 25, 2019



Current Membership

Monthly membership as of October 6, 2019

Category	Total Members	ACHN Members	% ACHN
FHP	211,925	16,931	8.0%
ACA	72,611	12,953	17.8%
ICP	29,633	5,902	19.9%
MLTSS	6,008	0	N/A
Total	320,177	35,786	11.2%

ACA: Affordable Care Act

FHP: Family Health Plan

ICP: Integrated Care Program

MLTSS: Managed Long-Term Service and Support (Dual Eligible)



Managed Medicaid Market

Illinois Department of Healthcare and Family Services August 2019 Data

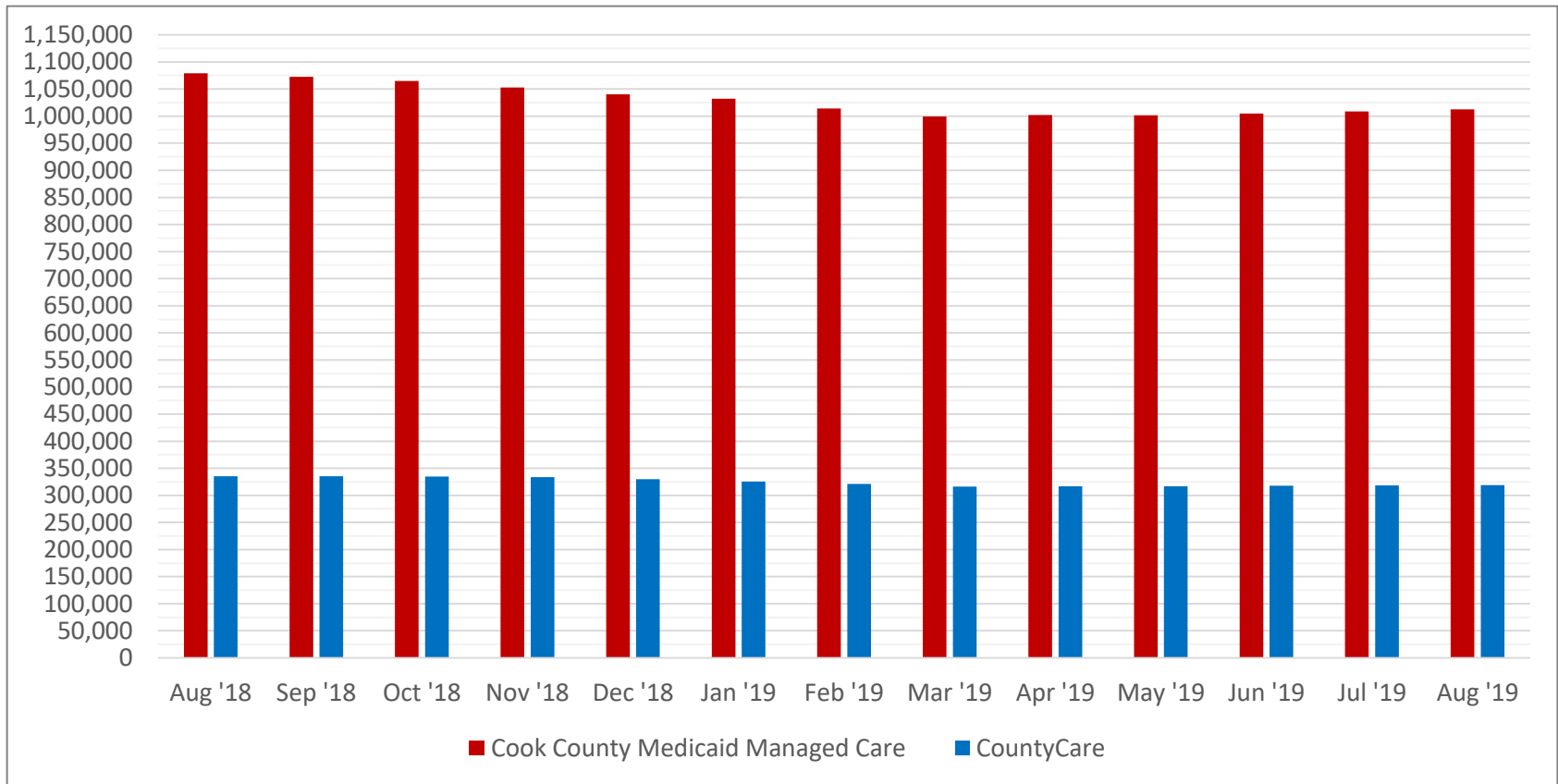
Managed Care Organization	Cook County Enrollment	Cook County Market Share
*CountyCare	319,012	31.5%
Blue Cross Blue Shield	238,041	23.5%
Meridian (a WellCare Co.)	228,530	22.6%
IlliniCare (a Centene Co.)	109,696	10.8%
Molina	66,087	6.5%
*Next Level	51,059	5.0%
Total	1,012,425	100.0%

* Only Operating in Cook County

Meridian and WellCare (dba Harmony) merged as of 1/1/2019. Pending Merger with Centene (dba IlliniCare)



IL Medicaid Managed Care Trend in Cook County



- Despite managed care membership declining by 6.2% within the past year, CountyCare has only experienced a decline of 4.9%.
- Overall Cook County Medicaid Managed Care enrollment is down 17% since January 2018.

2019 Operations Metrics: Claims Payment

		Performance		
Key Metrics	State Goal	Jun	Jul	Aug
Claims Payment Turnaround Time & Volumes				
% of Clean Claims Adjudicated < 30 days	90%	97.4%	97.4%	95.8%
% of Claims Paid < 30 days	90%	40.7%	44.9%	32.2%

Operations Metrics:

Overall Care Management Performance

		Performance		
Key Metrics	Market %	Jun	Jul	Aug
Completed HRS/HRA (all populations)				
Overall Performance	40%	63.3%	64.6%	66.3%
Completed Care Plans on High Risk Members				
Overall Performance	65%	61.5%	61.7%	62.2%

CountyCare's high-risk percentage exceeds the State's requirement of 2% for Family Health Plan and 5% for Integrated Care Program



QPS Quality Dashboard



October 18, 2019



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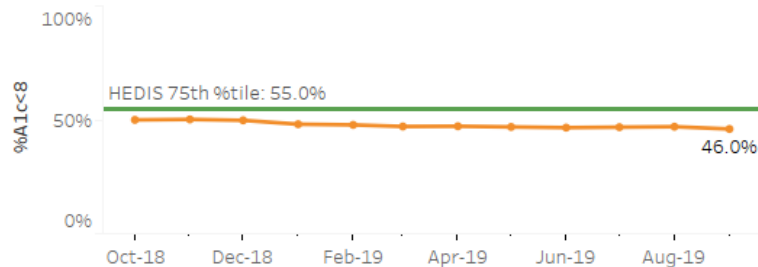


COOK COUNTY HEALTH

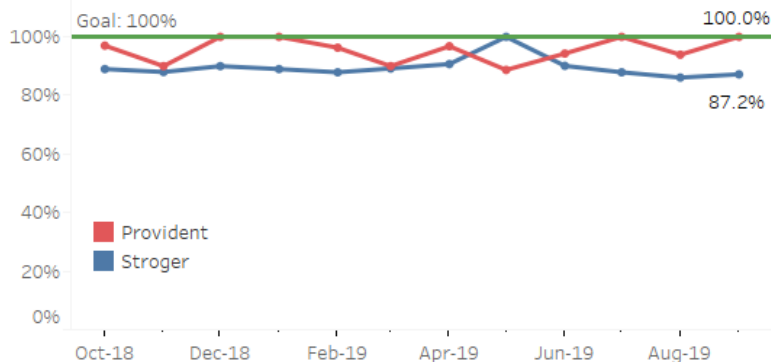
Quality Dashboard
October 18, 2019

Health Outcomes

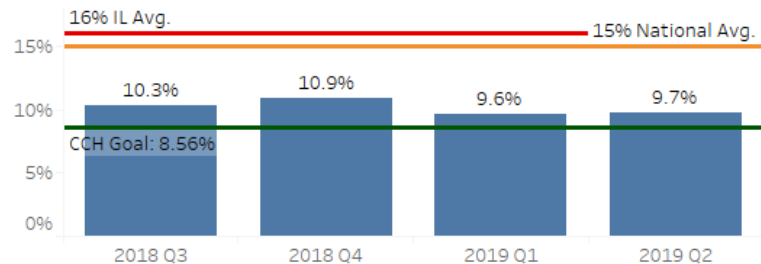
HEDIS - Diabetes Management: HbA1c < 8%



Core Measure - Venous Thromboembolism (VTE) Prevention

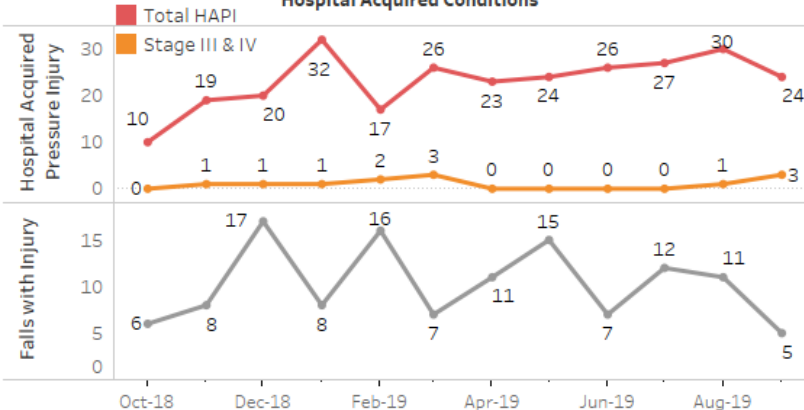


30 Day Readmission Rate

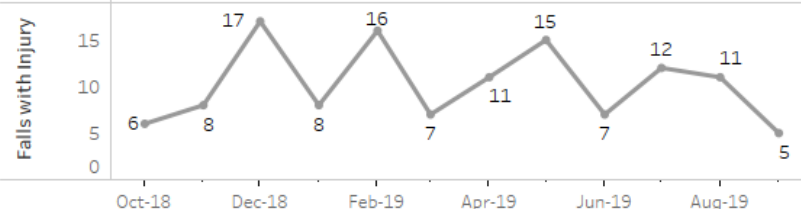


Patient Safety

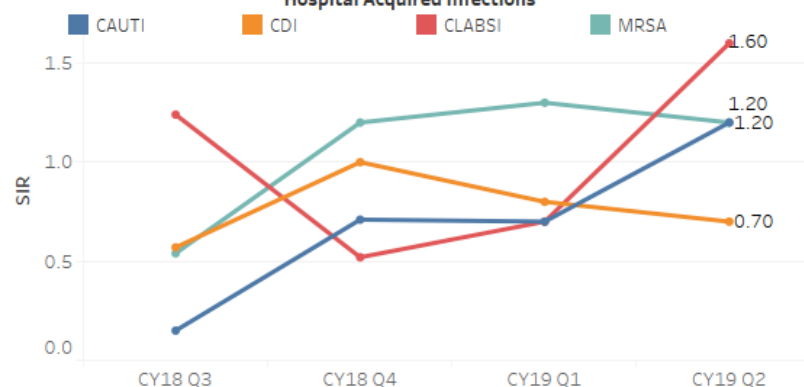
Hospital Acquired Conditions



Falls with Injury



Hospital Acquired Infections

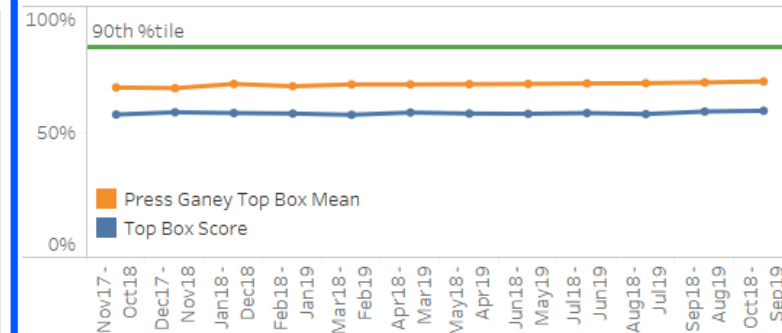


SIR (Standardized Infection Ratio) is a summary measure which compares the actual number of Healthcare Associated Infections (HAI) in a facility with the baseline data for standard population. SIR > 1.0 indicates more HAIs were observed than predicted, conversely SIR of < 1.0 indicates that fewer HAIs were observed than predicted.

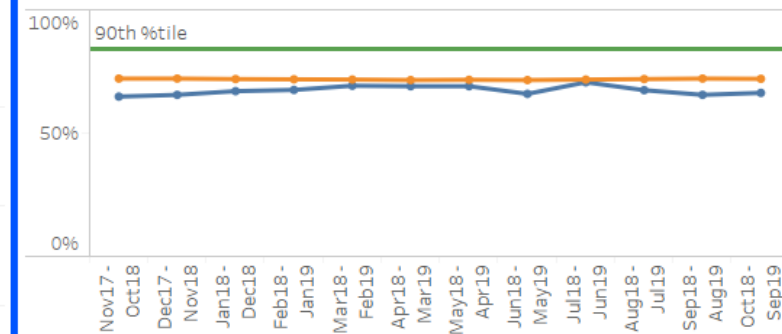
	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19
CAUTI	0	0	1	3	1	1	2	1	2	5	6	2
CDI	2	10	4	4	6	2	6	5	4	4	9	5
CLABSI	0	0	0	2	1	0	2	2	2	3	2	4
MRSA	0	0	1	0	1	0	1	0	0	2	0	0

Utilization

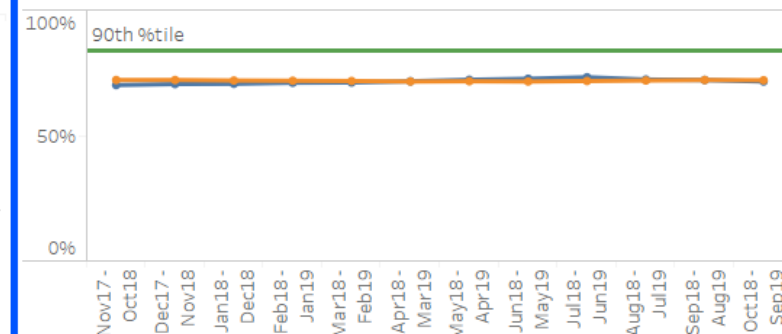
ACHN--Overall Clinic Assessment



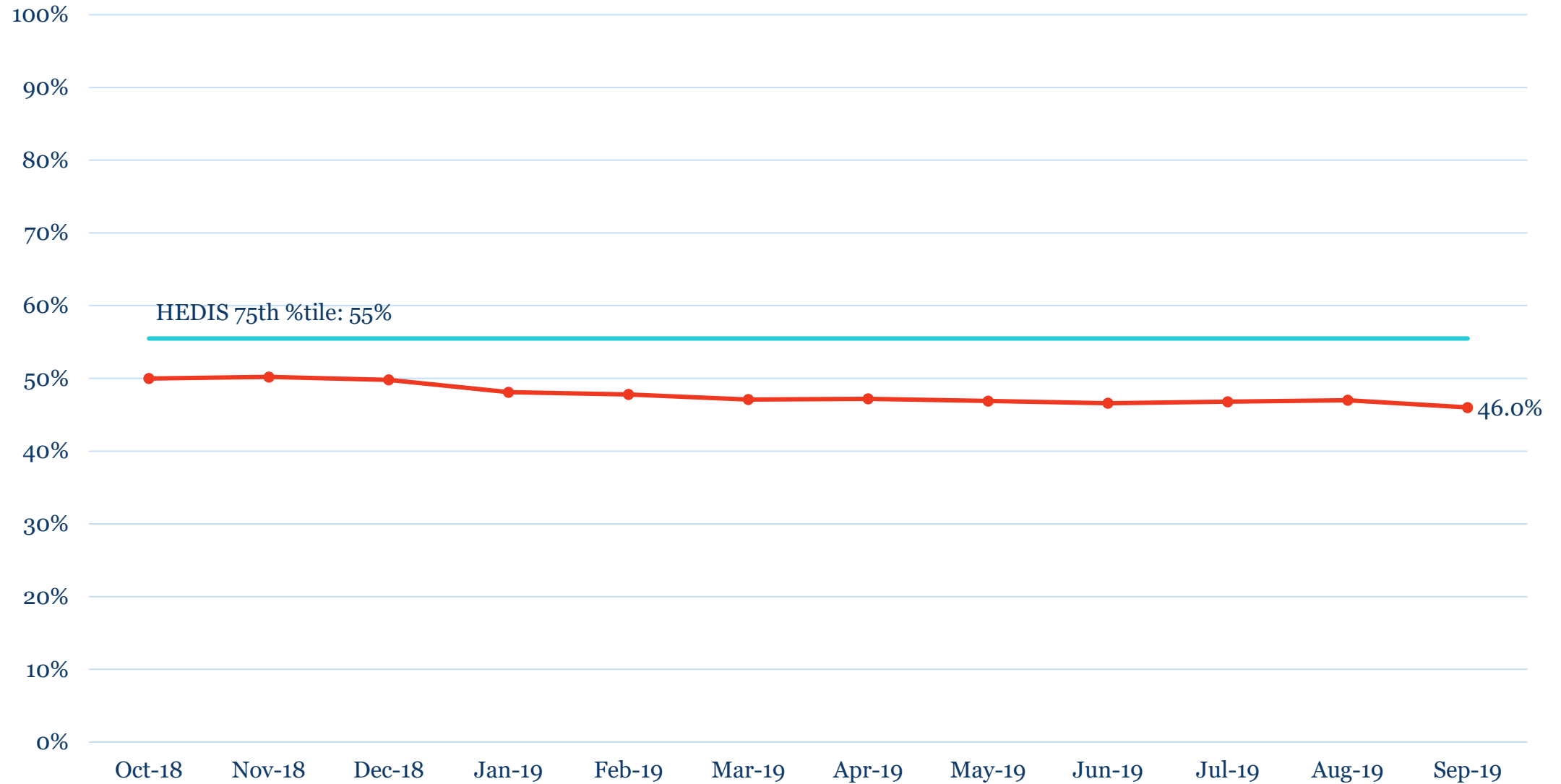
Provident--Willingness to Recommend Hospital



Stroger--Willingness to Recommend Hospital

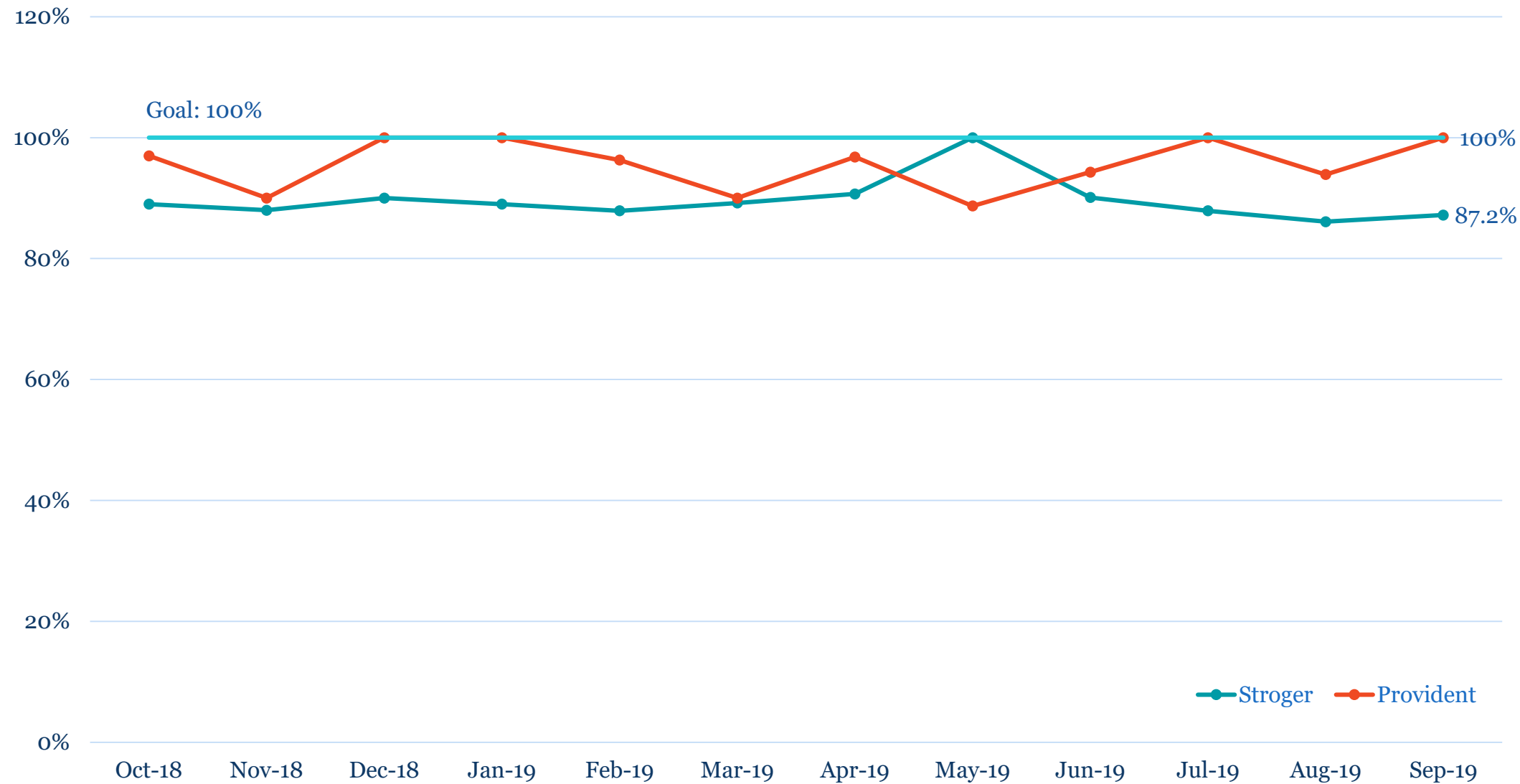


HEDIS – Diabetes Management: HbA1c < 8%



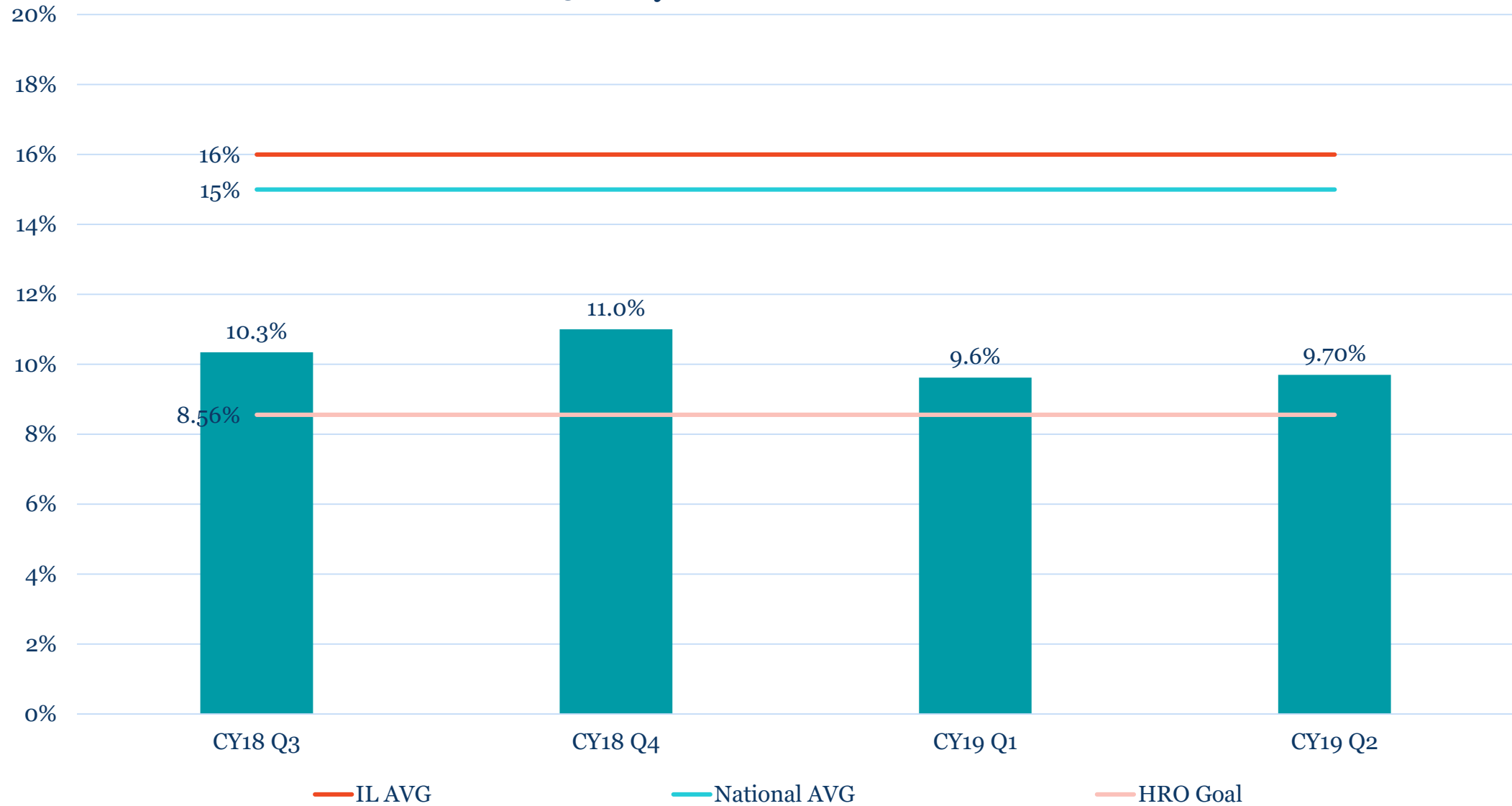
Source: Business Intelligence

Core Measure – Venous Thromboembolism (VTE) Prevention



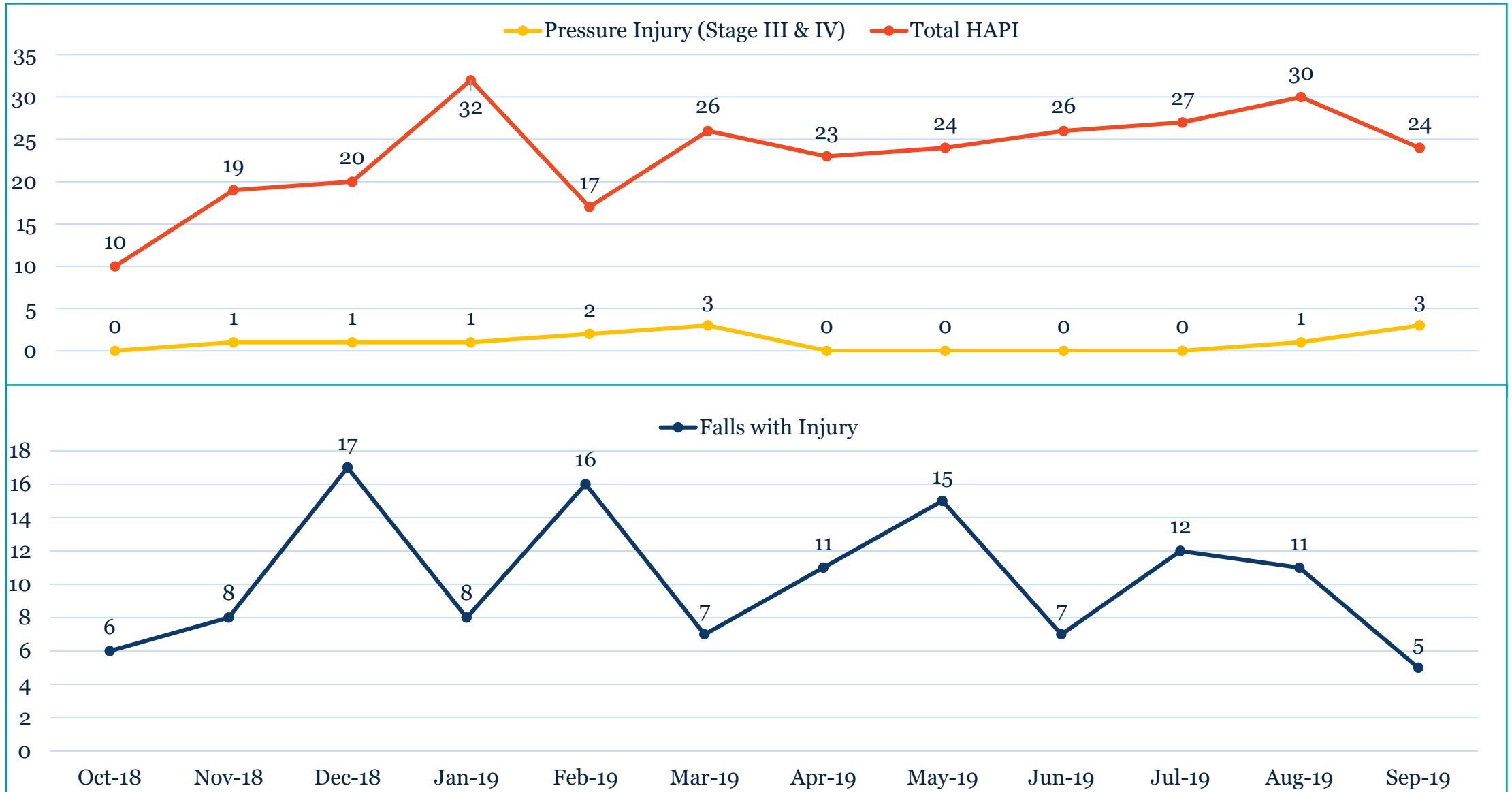
Source: Quality Dept.

30 Day Readmission Rate

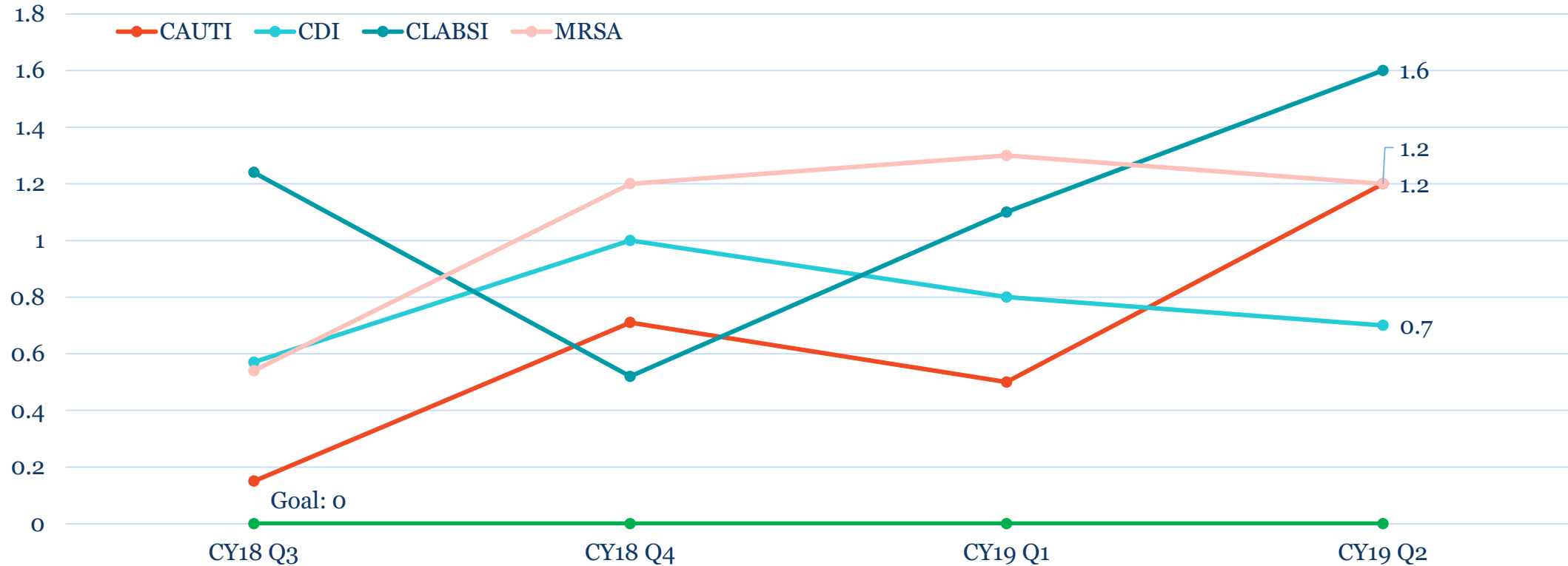


Source: Business Intelligence

Hospital Acquired Conditions



Hospital Acquired Infections



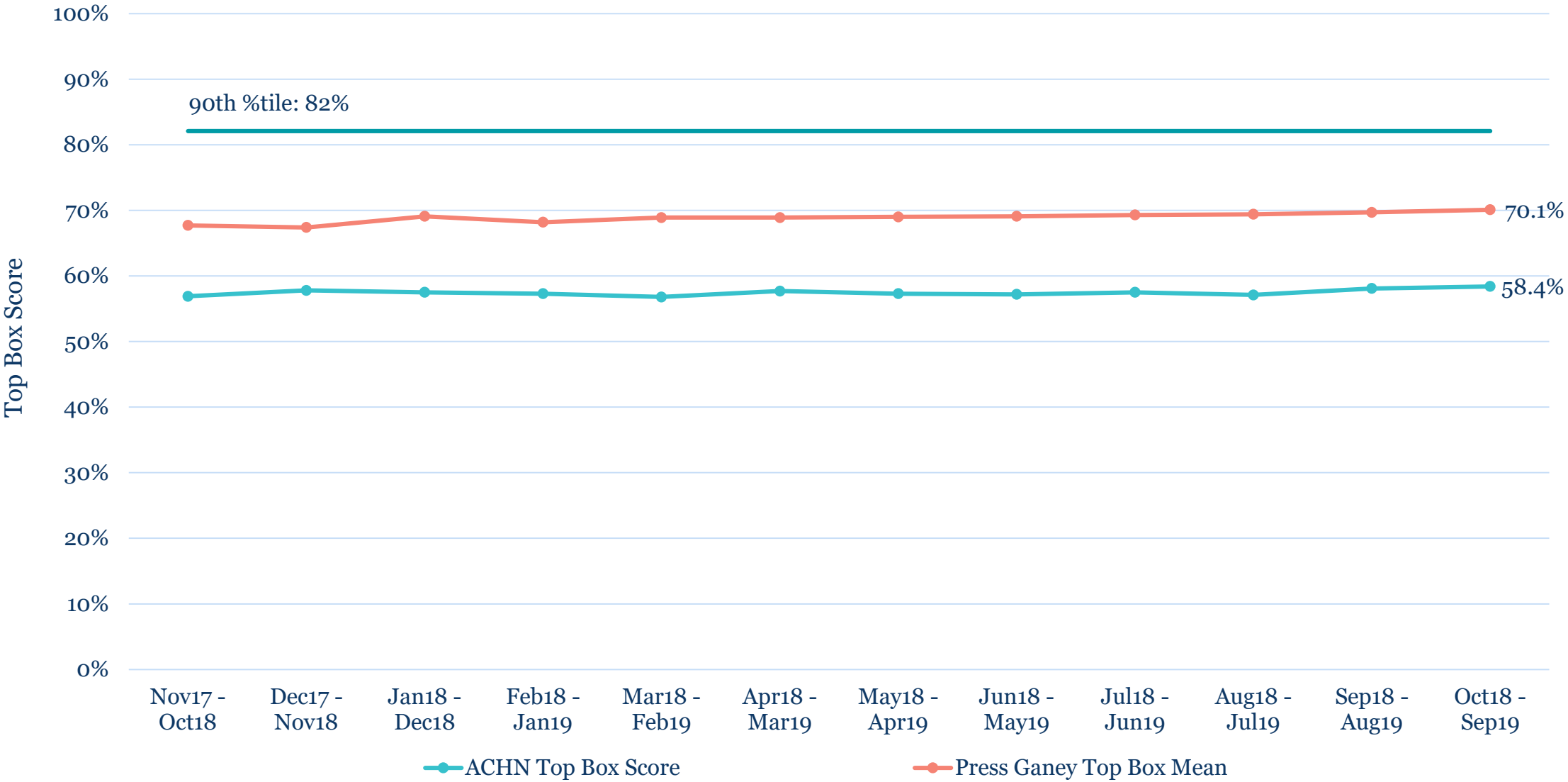
	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19
CAUTI	0	0	1	3	1	1	2*	1	2*	5	6	2
CDI	2	10	4	4	6	2	6	5	4	4	9	5
CLABSI	0	0	0	2	1	0	2*	2	2	3	2	4
MRSA	0	0	1	0	1	0	1	0	0	2	0	0

*Amended

SIR (Standardized Infection Ratio) is a summary measure which compares the actual number of Healthcare Associated Infections (HAI) in a facility with the baseline data for standard population. SIR > 1.0 indicates more HAIs were observed than predicted, conversely SIR of < 1.0 indicates that fewer HAIs were observed than predicted.

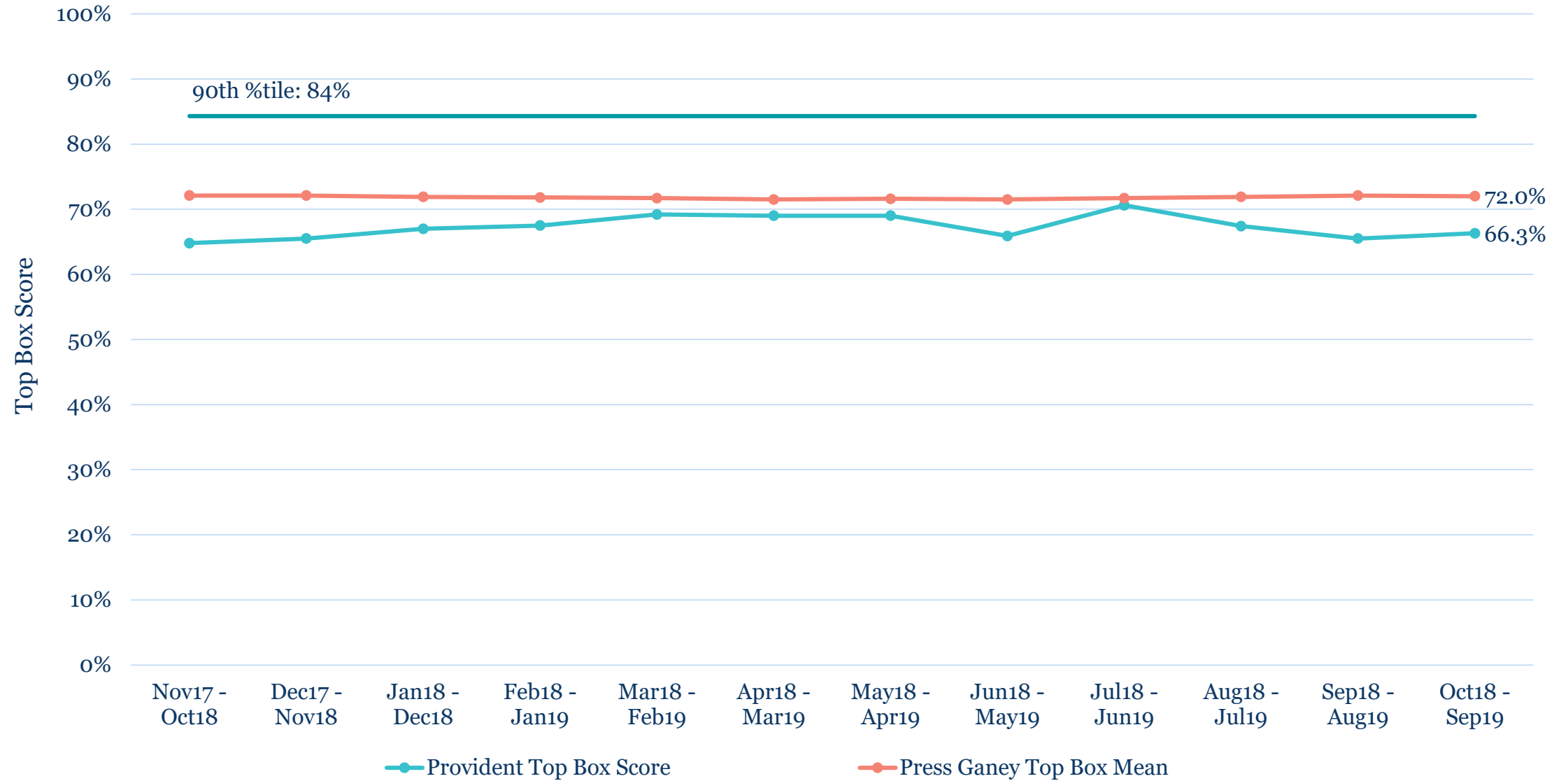
Source: Infection Control Dept.

ACHN – Overall Clinic Assessment

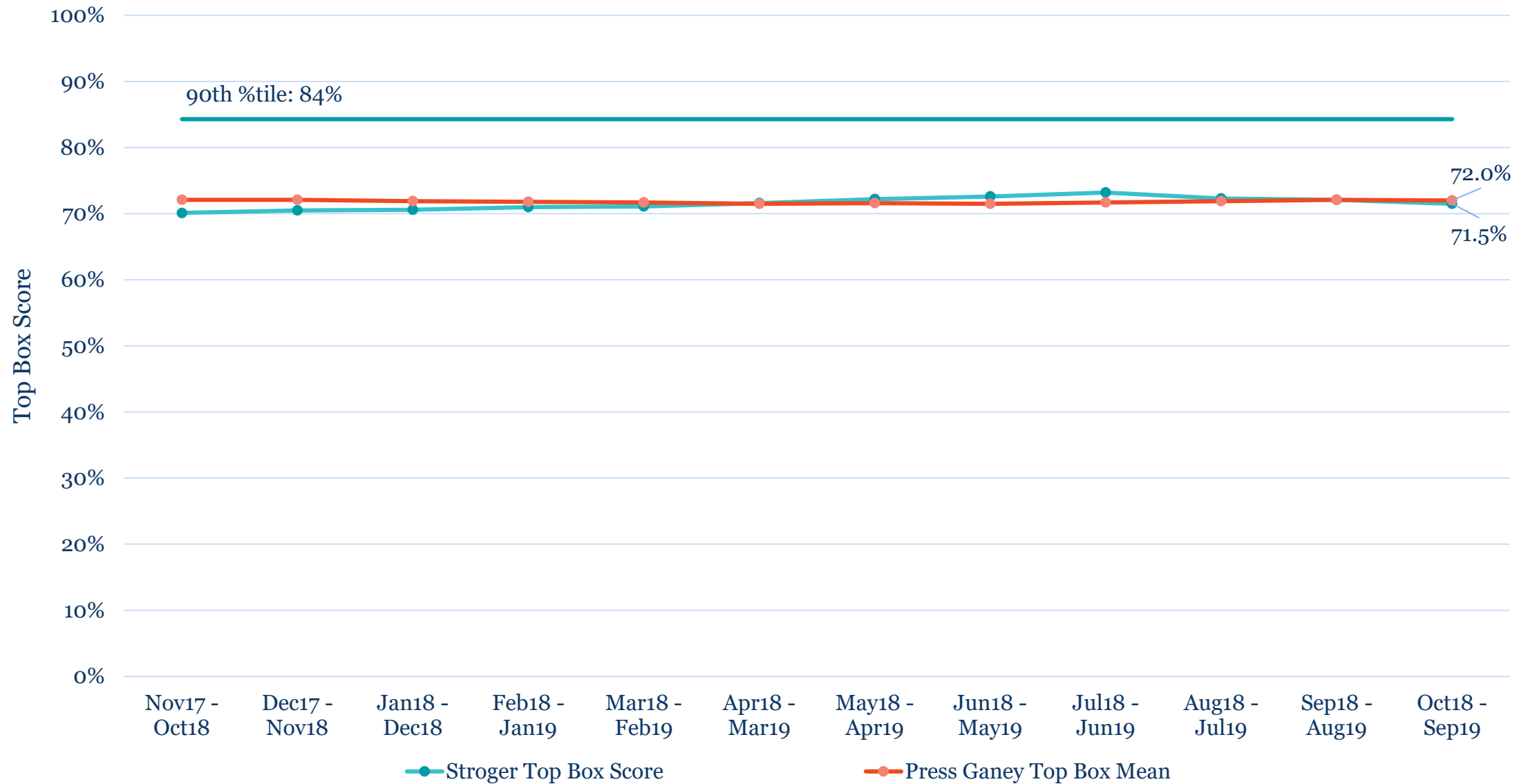


Source: Press Ganey

Provident – Willingness to Recommend the Hospital



Stroger – Willingness to Recommend the Hospital



Source: Press Ganey

QPS Measure Name	Measure Definition	Source
Diabetes Management HbA1c <8%	Adults ages 18-75 with diabetes (type 1 or type 2) where HbA1c is in control (<8.0%). Qualifying patients: - Age 18-75 years as of December 31 of current year AND -Two diabetic Outpatient/ED visits in the current year or previous year OR -One diabetic Inpatient visit in the current year or previous year OR -Prescribed insulin or hypoglycemic or antihyperglycemics in the current year or previous year	NCQA, HEDIS
Core Measure-Venous Thromboembolism (VTE) Prevention	Percentage of surgical patients aged 18 years and older undergoing procedures for which venous thromboembolism (VTE) prophylaxis is indicated, who had an order for Low Molecular Weight Heparin (LMWH), Low- Dose Unfractionated Heparin , adjusted-dose warfarin, fondaparinux or mechanical prophylaxis to be given within 24 hours prior to incision time or within 24 hours after surgery end time	CMS
Readmission Rate	The readmission measures are estimates of unplanned readmission to an acute care hospital in the 30 days after discharge from a hospitalization. Patients may have had an unplanned readmission for any reason.	CMS
Hospital Acquired Pressure Injuries	A pressure injury is localized damage to the skin and underlying soft tissue usually over a bony prominence or related to a medical or other device. Full thickness pressure injuries involve the epidermis and dermis, but also extend into deeper tissues (fat, fascia, muscle, bone, tendon, etc.)	CMS, AHRQ
Falls with Injury	A patient fall is an unplanned descent to the floor (or extension of the floor, e.g., trash can or other equipment) with injury to the patient.	TJC, NDNQI
Hospital Acquired Infections - CAUTI	Catheter-associated urinary tract infections	NHSN
Hospital Acquired Infections - CDI	Clostridium difficile intestinal infections	NHSN
Hospital Acquired Infections - CLABSI	Central line-associated bloodstream infections	NHSN
Hospital Acquired Infections - MRSA	Methicillin-resistant Staphylococcus Aureus blood infections	NHSN
Press Ganey Patient Satisfaction Top Box Score	The percentage of responses in the highest possible category for a question, section, or survey (e.g. percentage of 'Very Good,' or 'Always' responses).	Press Ganey
Press Ganey Patient Satisfaction Percentile Rank	A percentile rank tells you where your score falls in relationship to other scores. Percentile rank for any given metric in any peer group is determined by ordering all facilities' scores from highest to lowest, then each score receives a percentile rank by determining the proportion of the database that falls below that score. For example, if your percentile rank is 30, you are scoring the same as or better than 30% of the organizations you are compared to.	Press Ganey
ACHN Patient Satisfaction-Overall Assessment	Includes two questions: 1. How well the staff worked together to care for you. 2. Likelihood of your recommending our practice to others.	Press Ganey
Hospital Patient Satisfaction-Willingness to Recommend Hospital	The likelihood that a patient will recommend a hospital to family members and friends.	Press Ganey